

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Call to Order: By **CHAIRMAN BOB DAVIES**, on January 17, 2001 at
8:30 A.M., in Room 317-B Capitol.

ROLL CALL

Members Present:

Rep. Bob Davies, Chairman (R)
Sen. Jack Wells, Vice Chairman (R)
Rep. John Brueggeman (R)
Rep. Monica Lindeen (D)
Sen. Bea McCarthy (D)
Sen. Corey Stapleton (R)

Members Excused: None.

Members Absent: None.

Staff Present: Greg DeWitt, Legislative Branch
Mary Beth Linder, OBPP
Cyndie Lockett, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Revenue Budget,
1/17/2001
Executive Action:

{Tape : 1; Side : A; Approx. Time Counter : 0 - 30}

HEARING ON DEPARTMENT OF REVENUE

Chairman Davies called the meeting to order.

Mr. DeWitt began by discussing what was handed to the subcommittee members. He explains how they have been trying to fix the budget by negotiations. Department of Revenue gave **EXHIBIT (jgh13a01)** which was an outline of what they were going to address in the meeting.

Rep. Lindeen asked why they were fixing the budget now. **Mrs. Linder** explained that one of the programs in the Department of Revenue was being restructured. This restructuring means fixing the original budget and talking with Governor Martz's people and Legislative Fiscal Division.

Kurt Alme, Director of Department of Revenue, began talking about the restructuring of the Customer Service Center. He told the subcommittee they would cover Compliance, Valuation, & Resolution (CVR) in the meeting.

Neil Peterson, Process Lead of the Customer Service Center (CSC) addressed the subcommittee with a review of CSC. He explains that his agency gets money from other processes within the Department of Revenue for doing work on their behalf. Examples like processing their mailings or their transactions, etc. They also pay other processes within the Department of Revenue (DOR) for services the other processes provide for the CSC. (Example: Human Resource.)

Don Hoffman, Compliance, Valuation & Resolution District 1 Process Leader, started by reviewing what his program. He begins talking about each decision package. The definition of each DP's can be seen in **EXHIBIT (1)** on page CVR-1, CVR-2, CVR-3, and CVR-4. **Mr. DeWitt** interrupted and described the hand outs he gave out and how they relate to the department's handouts **EXHIBIT (jgh13a02)**.

Sen. Wells asked about DP 1 and if it included the increase in postage. **Mr. Hoffman** replied no. **Sen. Wells** asked how many notifications they are intending to send out. **Mr. Hoffman** said that they have 760,000 parcels in Montana, but not all would get a notice because some can be combined. He stated a rough estimate would be 700,000.

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{Tape : 1; Side : B; Approx. Time Counter : 30 - 60}

Sen. Wells asked what the state special revenue account was. **Mr. Hoffman** explained it was the account that they put the money in that they charge people to use certain aspects of their business. An example would be if someone wants a list of all the tax payers in Gallatin County. This request would incur some cost to the CVR to produce this list. The money from that would go into the state special revenue account.

Sen. Wells asked how much is in the state special revenue account. **Mr. Hoffman** told him the balance was roughly \$11,000. **Mr. Hoffman** said they could go back a few years and give historical data on the state special account.

Rep. Lindeen asked **Mr. Hoffman** to define technology improvements. **Mr. Hoffman** said they would use it for printers and computers. **Rep. Lindeen** asked what they had done before to purchase these items since they couldn't use this account. **Mr. Hoffman** replied they had authority in their program budget to replace computers on a four-year cycle, like all other departments.

Mrs. Linder explains this money is there to improve the equipment the public accesses.

Sen. Stapleton had a question on DP 2. He wanted to know if historically always leased vehicles and allowed them to get all that mileage. **Mr. Hoffman** said that they normally have not leased the vehicles, but are trying to get the whole 159 car fleet into the Motor Pool leasing program. They used to purchase them and that is why they feel the mileage has gotten so high. **Sen. Stapleton** asked if they are replacing the whole fleet. **Mr. Hoffman** said no and explained that 58 of the 159 were leased so that left 101 owned. They want replace 28 vehicles in 2002 and 25 vehicles in 2003 with leased vehicles. This will leave 48 cars owned.

Chairman Davies asked how leasing is going to be cheaper. **Mr. DeWitt** explained that these cars are being leased through the Department of Transportation. The Department of Transportation covers all maintenance and operating costs as part of the lease payment.

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Rep. Lindeen asked about DP 5 and they actually doing when they say Project Meta. **Mr. Hoffman** tried to explain, but said that

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they could give a presentation on it that would get more specific. She also wondered about the POINTS system and **Mr. Hoffman** said there will be a presentation on that also. She also wanted to know if there has been any resistance to the reengineering process. **Mr. Hoffman** said yes and they are trying to work with the resistance as they go along.

Jeff Miller, Policy & Performance Management, talked about DP 7, Annual Reimbursement to Local Government. He was requesting that DP 7 not be acted on in their budget until HB 124 comes through the process.

Lynn Chenoweth, Resource Management Process Leader, had some follow up on **Sen. Stapleton's** request of more information on the competency pay project. **Mr. Chenoweth** gave out the draft on the program to all members of the subcommittee. He told **Sen. Stapleton** that they can do a presentation if he wanted. **Sen. Stapleton** said this handout was sufficient for what he wanted.
EXHIBIT(jgh13a03)

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ADJOURNMENT

Adjournment: 9:45 A.M.

REP. BOB DAVIES, Chairman

CYNDIE LOCKETT, Secretary

BD/CL

EXHIBIT (jgh13aad)